

EXHIBIT 1.1 TO DECLARATION OF CARL M. VARADY

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May 18, 2008

Attention:

File #: Loveland-PAL

Inv #: Sample

RE: Billing Dispute with DOE

DATE	DESCRIPTION	HOURS	RATE	AMOUNT	LAWYER
Mar-05-02	Case Development and Investigation : meeting with P Dukes, M Koven, and Les. Tamashiro to discuss options to resolve current billing and future disputes	1.60	\$275.00	440.00	CMV
Mar-08-02	Case Development and Investigation : meeting with client to discuss unpaid invoices for services for children placed by DOH, DOE, hearing officer decision or settlement agreement; discuss scope of work and need to include parents as participants if lawsuit filed	2.40	\$275.00	660.00	CMV
Mar-11-02	Case Development and Investigation Review materials provide by client re RFP and autism services	1.10	\$275.00	302.50	CMV
	Case Development and Investigation : meeting with client at Loveland to discuss change in services from DOH to DOE and related issues re RFP and change from mental health services to School Based Behavioral Health	2.50	\$275.00	687.50	CMV
Mar-13-02	Case Development and Investigation : read letter from T. Donkervoet re payment issues	0.25	\$275.00	68.75	CMV
	Case Development and Investigation : discuss letter from T. Donkervoet re	0.40	\$275.00	110.00	CMV

	payment issues, options for response and Loveland's continued survival				
Mar-14-02	Case Development and Investigation : prepare for and attend meeting with parents and staff to discuss current problems with Loveland's survival if DOE continues to withhold payment and need for parents to participate if lawsuit filed, followed by Q&A session	2.70	\$275.00	742.50	CMV
Mar-15-02	Case Development and Investigation : meeting with G. Slovin, M. Horiuchi, P. Dukes, and M. Koven at Goodsil to discuss options to work dispute out with DOE and governor's office	1.60	\$275.00	440.00	CMV
	Case Development and Investigation : continued meeting with P. Dukes and M. Kove to discuss options	1.50	\$275.00	412.50	CMV
	Case Development and Investigation : tc with John Carroll re CAMHD	0.25	\$0.00	0.00	CMV
Mar-18-02	Case Development and Investigation Several Telephone conference(s) with client re status of RFP, possible mediation	1.65	\$275.00	453.75	CMV
	Case Development and Investigation Meeting with Loveland Academy owner, Patty Dukes and J. Uyehara to discuss outstanding issues	1.80	\$275.00	495.00	CMV
	Case Development and Investigation : read parent letters and memo re supporting Loveland	0.60	\$275.00	165.00	CMV
	Case Development and Investigation : read letter from P.Dukes to T. Donkervoet re discontinuation of Loveland services if service authorizations not extended	0.50	\$275.00	137.50	CMV
	Case Development and Investigation : Telephone conference(s) with client re outstanding student bills	0.30	\$0.00	0.00	CMV
Mar-20-02	Case Development and Investigation Telephone conference(s) with military parent (J.E.) re assistance within military for keeping Loveland open and need for stable placement during deployment	0.20	\$0.00	0.00	CMV

Mar-21-02	Case Development and Investigation Telephone conference(s) with Loveland Academy owner, Patty Dukes re work plan and objectives	0.50	\$275.00	137.50	CMV
	Case Development and Investigation : read letter from client re options to continue operating Loveland with and without DOE contract and possible legal approaches to problems with DOE and DOH	0.40	\$275.00	110.00	CMV
	Case Development and Investigation : lengthy discussion with client re school's options with or without contract and possible areas of legal recourse against DOE and/or DOH; issues re legal representation	1.25	\$275.00	343.75	CMV
	Case Development and Investigation Conference call with Loveland Academy owner, Patty Dukes and L. Nishioka re stay-put and other issues concerning RFP	0.30	\$0.00	0.00	CMV
Mar-25-02	Case Development and Investigation : dicussion with military parent (J.E.) regarding possible assistance from command re military dependents at Loveland	0.40	\$0.00	0.00	CMV
Mar-28-02	Case Development and Investigation : review outstanding bills with Loveland Academy owner, Patty Dukes re demand amounts and draft responsive demand to counter offer	1.90	\$275.00	522.50	CMV
May-04-02	Case Development and Investigation : meeting at Loveland to discuss contract protest and options for avenues for direct proceedings in court, exhaustion of admin process with client	2.30	\$275.00	632.50	CMV
May-06-02	Case Development and Investigation : meeting with client to discuss terms of protest and general conditions, gag clause assess significance of agreeing to gag clause and significance of other providers doing so	1.80	\$275.00	495.00	CMV
Jun-13-02	Case Development and Investigation : discuss letter from Linnel Nishioka re	0.50	\$275.00	137.50	CMV

autism contract terms to Chris Butt with client and Linnnel

	Case Development and Investigation : discuss with client attorney-parent JD's analysis of stay put and possible modifications to contract that would avoid gag clause by incorporating best practices and clinical standards manual, research standards	0.60	\$275.00	165.00	CMV
Jun-18-02	Case Development and Investigation : review points in memo with client and discuss continued viability of Loveland without a contract and legal options	1.00	\$275.00	275.00	CMV
Jun-24-02	Case Development and Investigation : discuss options to continue mental health services from students receiving mental health as part of IEP at Loveland	0.75	\$275.00	206.25	CMV
Jun-25-02	Case Development and Investigation meeting with Loveland Academy owner, Patty Dukes at Loveland to dicuss DOE's refusal to accept proposed modifications to contract	1.45	\$275.00	398.75	CMV
	Case Development and Investigation : tc with client re Bateman analysis re stay put violations	0.30	\$275.00	82.50	CMV
Jun-26-02	Case Development and Investigation : read letter from parent re change in position re mental health services and DOE's agreement to provide such services	0.25	\$275.00	68.75	CMV
	Case Development and Investigation : meeting with R. Hurd at Loveland to review outstanding invoices unpaid, DOE's request for documentation, points to discuss with DOE re outstanding bills and stay put	1.30	\$275.00	357.50	CMV
	Case Development and Investigation :discuss with client letter from parent re change in position re mental health services and DOE's agreement to provide such services	0.40	\$275.00	110.00	CMV
Jun-27-02	Case Development and Investigation : discuss with R. Hurd his memo re	0.50	\$275.00	137.50	CMV

	discussion with Chris Butt re outstanding invoices unpaid, DOE's request for documentation, outstanding bills and stay put				
Jun-28-02	Case Development and Investigation : discuss Chris Butt letter with client and options in response	1.60	\$275.00	440.00	CMV
	Case Development and Investigation : Telephone conference(s) with client re status of contract negotiations	0.25	\$275.00	68.75	CMV
Jun-29-02	Case Development and Investigation : discuss with P. Dukes, Chris Butt's response to proposed addendum to contract	0.70	\$275.00	192.50	CMV
Jul-01-02	Case Development and Investigation : tc with client re dicussions with OSEP	0.20	\$275.00	55.00	CMV
Jul-02-02	Case Development and Investigation : discuss with P. Dukes continued issues re DOE's refusal to pay based on alleged deficiencies in documentation particularly service authorizations for mental health services	0.50	\$275.00	137.50	CMV
Jul-04-02	Case Development and Investigation Telephone conference(s) with Loveland Academy owner, Patty Dukes re response to DOE	0.20	\$0.00	0.00	CMV
Jul-05-02	Case Development and Investigation Telephone conference(s) with Loveland Academy owner, Patty Dukes re DOE's response to contract proposal	0.20	\$0.00	0.00	CMV
Jul-10-02	Case Development and Investigation Meeting with Loveland Academy owner, Patty Dukes at Loveland to discuss current negotiations and strategies for Lovleand to continue or close	2.30	\$275.00	632.50	CMV
Jul-12-02	Case Development and Investigation : meeting with R. Hurd and P. Dukes to discuss options to continued operation and plan for parent response based on stay-put analysis and due process hearings	2.90	\$275.00	797.50	CMV
Jul-16-02	Case Development and Investigation Meeting with clients at Loveland to discuss	0.75	\$275.00	206.25	CMV

	results of initial research re refusal to pay as being change in placement				
	Case Development and Investigation : discuss parent letter and outline for action from Loveland to parents with client	0.40	\$275.00	110.00	CMV
Jul-17-02	Case Development and Investigation : tc with Chris Butt re DOE arrearages and need for payment	0.20	\$275.00	55.00	CMV
	Case Development and Investigation : tc with P. Dukes re Butt's response	0.20	\$0.00	0.00	CMV
Jul-25-02	Case Development and Investigation : meeting with client at Loveland to discuss stay put analysis, particularly Petties litigation in DC	1.40	\$275.00	385.00	CMV
Aug-26-02	Case Development and Investigation : meeting with client at Loveland to discuss current financial crisis resulting from DOE's failure to pay and need for immediate action	2.10	\$275.00	577.50	CMV
Sep-04-02	Case Development and Investigation : Meeting with Loveland Academy owner, Patty Dukes at Loveland to review contract documents and discuss alternatives to current billing problems and contract dispute	2.40	\$275.00	660.00	CMV
Sep-10-02	Case Development and Investigation : Telephone conference(s) with client re contract, payment and course of action for non-payment	0.20	\$0.00	0.00	CMV
Sep-11-02	Case Development and Investigation : Telephone conference(s) with client and C. Butt re interim contract	0.30	\$0.00	0.00	CMV
Sep-12-02	Case Development and Investigation : tc with client re recent discussions with Chris Butt re payment from DOE	0.40	\$275.00	110.00	CMV
	Case Development and Investigation : tc with E. Seitz re continued payment issues with DOE and implications for Felix compliance	0.30	\$275.00	82.50	CMV
Sep-13-02	Case Development and Investigation : tc	0.30	\$275.00	82.50	CMV

	with P. Dukes re second interim contract and needed revisions				
	Case Development and Investigation : Telephone conference(s) with APA rep and other providers re same contract provisions and gag clause	0.50	\$275.00	137.50	CMV
Sep-16-02	Case Development and Investigation Telephone conference(s) with B. Hurd outstanding invoices for student services	0.20	\$0.00	0.00	CMV
Sep-20-02	Case Development and Investigation Meeting with Loveland Academy owner, Patty Dukes at Loveland to discuss possible responses to DOE proposed	1.40	\$275.00	385.00	CMV
Sep-26-02	Case Development and Investigation : read gag clause addendum	0.20	\$275.00	55.00	CMV
Sep-27-02	Case Development and Investigation Meeting with client to discuss billing issue and work plan	1.10	\$275.00	302.50	CMV
	Case Development and Investigation : read letter from Chris Butt re payment	0.20	\$275.00	55.00	CMV
	Case Development and Investigation : discuss Chris Butt letter with client appropriate response	0.40	\$275.00	110.00	CMV
	Case Development and Investigation Revise letter to C. Butt and Telephone conference(s) with client	0.40	\$0.00	0.00	CMV
Oct-02-02	Case Development and Investigation : discuss billings and spread sheets and 1999 RFP terms with client	0.80	\$275.00	220.00	CMV
	Case Development and Investigation : read fax from R. Hurd and client service logs showing Maui District payments	0.30	\$275.00	82.50	CMV
	Case Development and Investigation : discuss Maui District payment in full compared to Honolulu District with R. Hurd	0.40	\$0.00	0.00	CMV
Oct-03-02	Case Development and Investigation : review billing spread sheets discuss recent payment at old rates with client	0.50	\$275.00	137.50	CMV

Oct-23-02	Case Development and Investigation Meeting with Loveland Academy owner, Patty Dukes to discuss payments and lawsuit, confirm outstanding amounts review and discuss response to letter from C. Butt	0.70	\$275.00	192.50	CMV
	Case Development and Investigation : read letter from R. Hurd re outstanding amounts and review spread sheets	0.80	\$275.00	220.00	CMV
Oct-25-02	Case Development and Investigation Telephone conference(s) with B. Hurd re billings	0.20	\$0.00	0.00	CMV
Oct-28-02	Case Development and Investigation : read memo and discuss with Hawaii Psychological Assn. the effect of gag clause on professional obligations of mental health providers	0.40	\$275.00	110.00	CMV
Nov-06-02	Case Development and Investigation Telephone conference(s) with client re filing of complaint and case status, DOE billing update	0.60	\$275.00	165.00	CMV
Nov-08-02	Case Development and Investigation : review staff resignation letter and discuss effect of economic uncertainties with client	0.40	\$275.00	110.00	CMV
	Case Development and Investigation : draft letter to Chris Butt re continued refusal of DOE to pay in full and gag clause	0.40	\$275.00	110.00	CMV
Nov-26-02	Case Development and Investigation : draft and revise letter to A. Gandy regarding immediate IEPs	0.90	\$275.00	247.50	CMV
Dec-04-02	Case Development and Investigation : review and discuss with client subpoena from AG's medical billing unit	0.60	\$275.00	165.00	CMV
Dec-05-02	Case Development and Investigation : read Loveland memo to parents were current status of economic issues and need to attend meeting on 12/12/ to discuss	0.30	\$275.00	82.50	CMV
Dec-06-02	Case Development and Investigation Meeting with clients to discuss case status, DOE payments and delays, case procedures and strategy for settlement	1.60	\$275.00	440.00	CMV

Dec-09-02	Case Development and Investigation : review and revise letter to DOE re arrearages and placement	0.30	\$0.00	0.00	CMV
Dec-11-02	Case Development and Investigation : draft form letter to be used for any child subject to Gandy's plan for immediate IEPs and removal from Loveland	0.50	\$275.00	137.50	CMV
Dec-12-02	Case Development and Investigation : prepare for and attend meeting at Loveland to advise parents of ongoing problems and need to have parents involved in resolving the issues both in court and at IEPs	2.40	\$275.00	660.00	CMV
	Case Development and Investigation : read R. Hurd initial response to Chris Butt letter	0.20	\$0.00	0.00	CMV
Dec-13-02	Case Development and Investigation : review correspondence and draft responsive letter to most recent Gandy letter on topic of immediate IEPs	0.40	\$275.00	110.00	CMV
Dec-14-02	Case Development and Investigation Several calls to client re current status and work plan	1.60	\$275.00	440.00	CMV
	Case Development and Investigation review message from M. Bennett and return call	0.40	\$275.00	110.00	CMV
	Case Development and Investigation send e-mail to M. Bennett re letter to Shikada;	0.20	\$0.00	0.00	CMV
Dec-16-02	Case Development and Investigation : read and discuss bullet points drafted by client in response to Chris Butt letter, suggest revisions	0.80	\$275.00	220.00	CMV
Dec-17-02	Case Development and Investigation : read recent correspondence with Chris Butt, read bullet points prepared by Loveland, draft letter to H. Shikada documenting points of agreement and dispute and need to resolve disputed matter promptly to avoid a motion in the lawsuit	1.00	\$275.00	275.00	CMV
Dec-19-02	Case Development and Investigation Telephone conference(s) with H. Shikada re payment and gag-clause (.75) Telephone conference(s) with Loveland Academy	0.75	\$275.00	206.25	CMV

	owner, Patty Dukes re same (.3); draft response to Shikada				
	Case Development and Investigation Telephone conference(s) with client re DOE's rush IEPs	0.50	\$275.00	137.50	CMV
	Case Development and Investigation : review documents and draft letter to H. Shikada, documenting each point of contention, agreeing to give her and AG additional time to investigate before filing motion for injunction, identifying children whose services were unpaid and unpaid amount, confirming that A. Gandy had been instructed to inform district personnel not to initiate IEPs, countermanding her prior directive, asking for implementation of more efficient payment process and offering to mediate	1.80	\$275.00	495.00	CMV
Dec-20-02	Case Development and Investigation : draft response to H. Shikada letter	0.50	\$275.00	137.50	CMV
Feb-06-03	Case Development and Investigation Telephone conference(s) with B. Hurd re billings and Flynn letter	0.20	\$0.00	0.00	CMV
Feb-15-03	Case Development and Investigation Meeting with P. Dukes to discuss case development and work plan, settlement conference and possible motion for preliminary injunction	2.40	\$275.00	660.00	CMV
Jun-30-03	Case Development and Investigation : read letter from client re new rates and discuss with client	0.40	\$0.00	0.00	CMV
Aug-27-03	Case Development and Investigation : draft letter for parents to establish stay put	0.50	\$275.00	137.50	CMV
Sep-16-03	Case Development and Investigation : Telephone conference(s) with S. Floyd re staffing issues and continued problems with Loveland receiving payment, potential loss of services, and potential of getting Special Master or Judge Ezra involved	0.30	\$0.00	0.00	CMV
Mar-05-04	Case Development and Investigation Review notes and draft letter to Schulaner re stipulations and trial to magistrate	0.60	\$275.00	165.00	CMV

Totals	82.10	\$21,106.25
Total Sales Tax on Fees		879.29

Total Fee & Disbursements		\$21,985.54
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Balance Now Due		\$21,985.54
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Total Sales Tax	\$879.29
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